APR 0 5 2004

Form 3160-3 (August 1999) DIV. OF OIL, GAS & MINING

FORM APPROVED OMB No. 1004-0136

Expires November 30, 2000

5. Lease Serial No.

U-0141317

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMI	6. If Indian, Allottee or Tribe Name UTE TRIBE				
1a. Type of Work: X DRILL	REENTER			7. If Unit or CA Agreement,	, Name and No.
_				NATURAL BUTTES U	INIT
·				8. Lease Name and Well No	
b. Type of Well: Oil Well 🗶 Gas Well Otl	ner 🔲	Single Zone	Multiple Zone	NBU 921-12H	
2. Name of Operator				9. API Well No.	
WESTPORT OIL & GAS COMPANY L.P.				43-047-350	طاله
3A. Address	3b. Phone	No. (include area co	ode)	10. Field and Pool, or Explor	
1368 SOUTH 1200 EAST VERNAL, UT 84078	(435)-78	1-7024		NATURAL BUTTES	
4. Location of Well (Report location clearly and in accordance	e with any State re	equirements.*)		11. Sec., T., R., M., or Blk, a	nd Survey or Area
At surface NENW 2259'FNL & 652'FEL	4434369	Y 40.051	45		
At proposed prod. Zone SENE	6285977	t - 109. 4	9240	SECTION 12-T9S-R21	ΙE
14. Distance in miles and direction from nearest town or post	office*			12. County or Parish	13. State
19.6 MILES SOUTHEAST OF OURAY, UTAH				UINTAH	UTAH
15. Distance from proposed*	16. No. of	Acres in lease	17. Spacing Unit de	dicated to this well	
location to nearest property or lease line, ft. 652'	ļ				
property or lease line, ft. (Also to nearest drig. unit line, if any)	480.00		40		
18. Distance from proposed location* to nearest well, drilling, completed, REFE	19. Propos	sed Depth	20. BLM/BIA Bond	No. on file	V-1477
applied for, on this lease, ft.	140 0001		CO-1203		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)		ximate date work w	ll start*	23. Estimated duration	
4823'UNGRADED GL	UPON A	PPROVAL		TO BE DETERMINED	
	24.	Attachments			
The following, completed in accordance with the requirements	of Onshore Oil an	d Gas Order No. 1,	shall be attached to thi	s form:	

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized office.

23. 31gilalipe) // (/ /		Name (17theartypea)	Date
// nulla tino	KelKO	SHEILA UPCHEGO	4/2/2004
Title	- this		
REGULATORYANALYST	oli.		
Approved by Signasuie	OVETSATY	Name (Printed/Typed)	Date
Tradad VI	Opplaces.	BRADLEY G. HILL	04-08-04
Title	of all Is No	E WIRONMENTAL SCIENTIST III	
	rederion is	i	

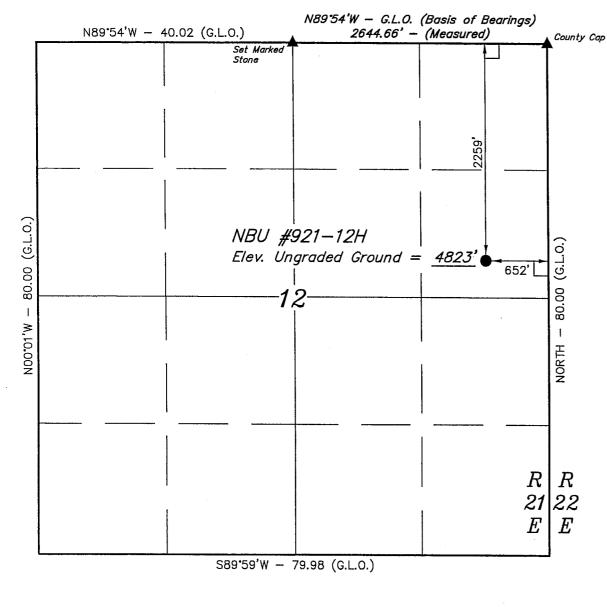
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

^{*(}Instructions on reverse)

T9S, R21E, S.L.B.&M.



LEGEND:

= 90" SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = $40^{\circ}03'05.82"$ (40.051617)

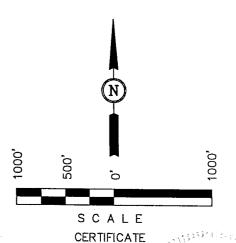
LONGITUDE = 109°29'35.15" (109.493097)

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #921—12H, located as shown in the NE 1/4 NW 1/4 of Section 12, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY. 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

> REGISTERED LAND. SURVEYOR REGISTRATION NO. 101319
> STATE OF UTAH

REVISED: 03-30-04 D.COX

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017 SCALE DATE SURVEYED: DATE DRAWN: 1" = 1000'10-14-02 10-18-02 PARTY REFERENCES G.S. B.C. D.COX G.L.O. PLAT WEATHER WESTPORT OIL AND GAS WARM COMPANY, L.P.

SENE NBU #921-12H NE/NW Sec. 12,T9S,R21E UINTAH COUNTY, UTAH U-0141317

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. <u>Estimated Tops of Important Geologic Markers:</u>

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1795'
Wasatch	5160'
Mesaverde	8040'
TD	10300'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Substance	<u>Formation</u>	<u>Depth</u>
	Green River	1795'
Gas	Wasatch	5160'
Gas	Mesaverde	8040'
Water	N/A	
Other Minerals	N/A	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. <u>Drilling Fluids Program</u>:

Please see the Natural Buttes Unit SOP.

6. <u>Evaluation Program</u>:

Please see the Natural Buttes Unit SOP.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 10300' TD, approximately equals 4120 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1854 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

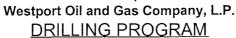
9. <u>Variances:</u>

Please see Natural Buttes Unit SOP.

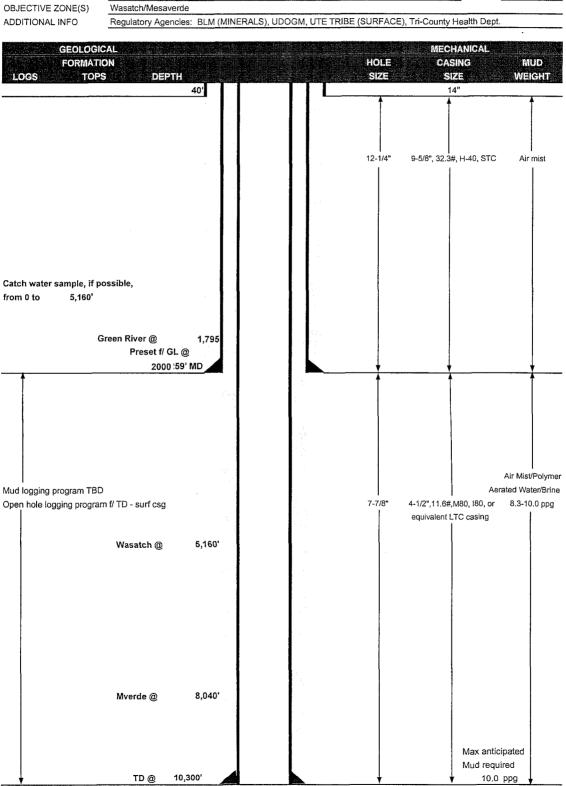
10. Other Information:

Please see Natural Buttes Unit SOP.





Westport Oil and Gas Co., L.P. DATE March 24, 2004 COMPANY NAME NBU 921-12H 10,300' MD/TVD WELL NAME 4,840' GL KB 4,855' Natural Buttes ELEVATION FIELD COUNTY Uintah STATE Utah SURFACE LOCATION 2259' FNL & 652' FEL, SENE SEC. 12, T9S, R21E Straight Hole OBJECTIVE ZONE(S) Wasatch/Mesaverde





Westport Oil and Gas Company, L.P.

DRILLING PROGRAM

CASING PROGRAM

								DESIGN FACTORS		
	SIZE	INT	TERVA	L	WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	16"		0-20'							
								2270	1370	254000
SURFACE	9-5/8"	0	to	2000	32.30	H-40	STC	0.73*****	1.46	4.49
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	10300	11.60	M-80 or I-80	LTC	2.52	1.19	1.93
							_			

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD =

10.0 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3090 psi

Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1	1	+ .25 pps flocele				
TOP OUT CMT (1	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
		+ 2% CaCl + .25 pps flocele		la di Tan		
TOP OUT CMT (2	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to su	rface, opt	ion 2 will be	e utilized	
Option 2 LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
		+.25 pps Flocele + 3% salt BWOC				
TAI	500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
		+ .25 pps flocele				
TOP OUT CM	as required	Premium cmt + 2% CaCl	as req.	ļ	15.60	1.18
				a en fant is		
PRODUCTION LEAD	4,660'	Premium Lite II + 3% KCI + 0.25 pps	510	60%	11.00	3.38
		celloflake + 5 pps gilsonite + 10% gel				
		+ 0.5% extender		į		
	line in the			North Control		
TAI	5,640'	50/50 Poz/G + 10% salt + 2% gel	1580	60%	14.30	1.31
		+.1% R-3				

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first centralizers. Thread lock guide shoe.	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.						
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 spring centralizers.	joints & every third joint to top of tail ce	ment with bow					

ADDITIONAL INFORMATION

В	BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder &
to	our sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper
&	& lower kelly valves.
D	Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.
_	
ING E	ENGINEER: DATE:
	Pred Langu

DATE:

DRILLING SUPERINTENDENT:

DHD NBU921-12H_APD

Randy Bayne

^{*}Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

SENE NBU #921-12H NE/NW-Sec. 12,T9S,R21E UINTAH COUNTY, UTAH U-0141317

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU#467 on 2/12/03, for the subject well. The operator has changed the well name to NBU #921-12H. The Bureau of Indian Affairs, Grants of Easements, the Authority to proceed with construction, Application for Permit to Drill Concurrence and the Environmental Analysis Site Specific EA information will reflect the old name of the NBU #467.

1. Existing Roads:

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

Approximately 0.2 Miles +/- of proposed access road. Refer to Topo Map B.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Approximately 1800' +/- of pipeline is proposed. Up to 8" of pipeline shall be Butt Welded. Please refer to the attached Topo D Map for pipeline placement.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5Y 6/2), a non-reflective earthtone.

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. Source of Construction Materials:

Please see the Natural Buttes SOP.

7. Methods of Handling Waste Materials:

Please see the Natural Buttes SOP.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (Request is in lieu of filing Form 3160-5, after initial production).

8. Ancillary Facilities:

Please see the Natural Buttes SOP.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

<u>Berm:</u> Entire location to prevent drainage from the location, into two drainages off of the location. As discussed at the on-site.

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

As per previous onsite discussion, a 16 mil reserve pit liner with felt will be required.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be resurveyed and a form 3160-5 will be submitted.

10. Plans for Reclamation of the Surface:

Please see the Natural Buttes SOP.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Bureau of Indian Affairs Uintah and Ouray Agency P.O. Box 130 Fort Duchesne, UT 84026 (435) 722-4300

12. Other Information:

The location must be inspected for Uintah Basin Hookless Cactus before construction.

A Class III archaeological survey has been conducted. A copy of the survey report has been submitted to the Ute Indian Tribe Energy & Minerals Department, prior to the on-site.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego Regulatory Analyst Westport Oil &Gas Company L.P. P.O. Box 1148 Vernal, UT 84078 (435) 781-7024 Randy Bayne
Drilling Manager
Westport Oil &Gas Company L.P.
P.O. Box 1148
Vernal, UT 84078
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Westport O&G Co. L.P. is considered to be the operator of the subject well. Westport O&G Co. L.P. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR for lease activities is being provided by BLM Nationwide Bond #CO-1203 and BIA Nationwide Bond #RLB0005239.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Theila Jan	hour	
Sheila Upchego	sugo –	

4/2/04	
Date	

WESTPORT OIL AND GAS COMPANY, L.P. NBU #921-12H SECTION 12, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION HIGHWAY 88: APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; AND PROCEED IN A NORTHEASTERLY APPROXIMATELY 5.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A EASTERLY DIRECTION APPROXIMATELY 80' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY DIRECTION APPROXIMATEL 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE TO VERNAL IS APPROXIMATELY 50.6 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #921-12H LOCATED IN UINTAH COUNTY, UTAH SECTION 12, T9S, R21E, S.L.B.&M.

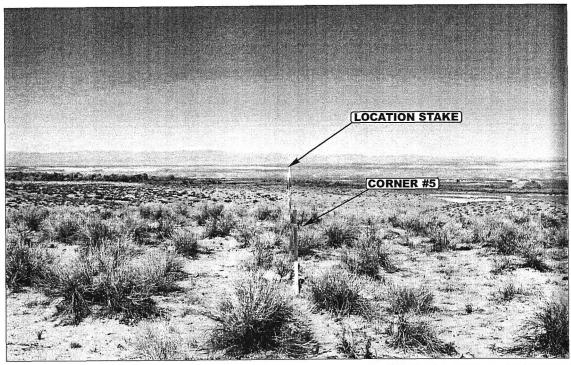


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying

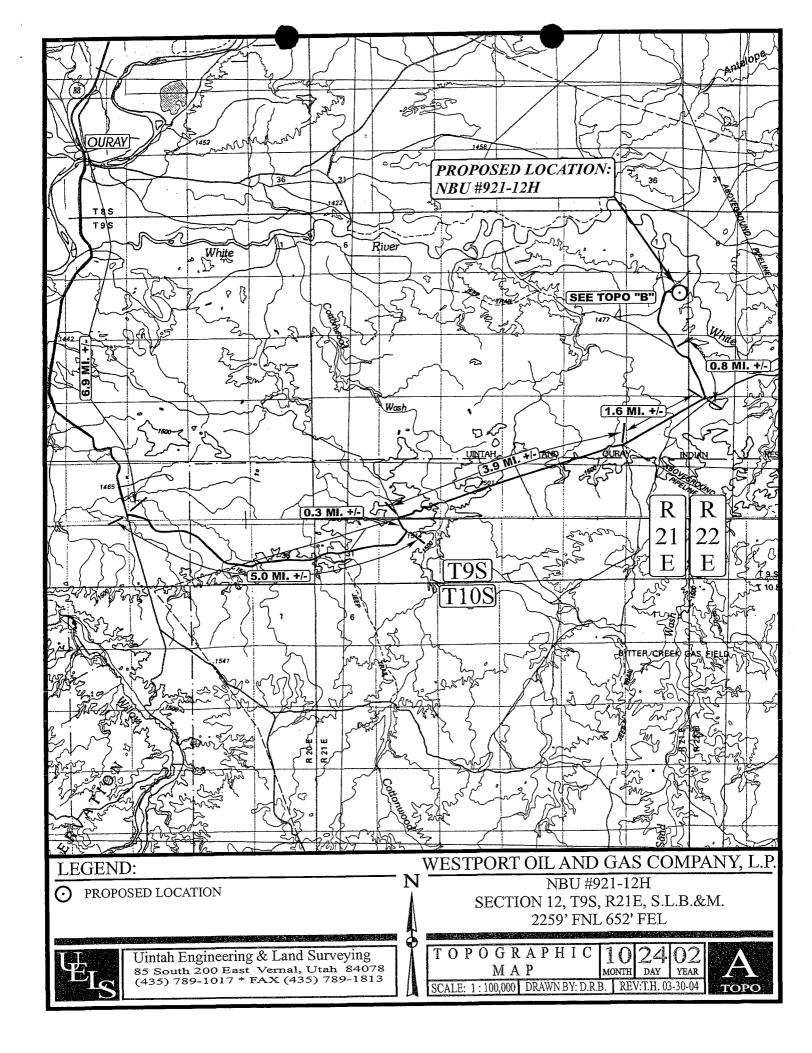
S South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

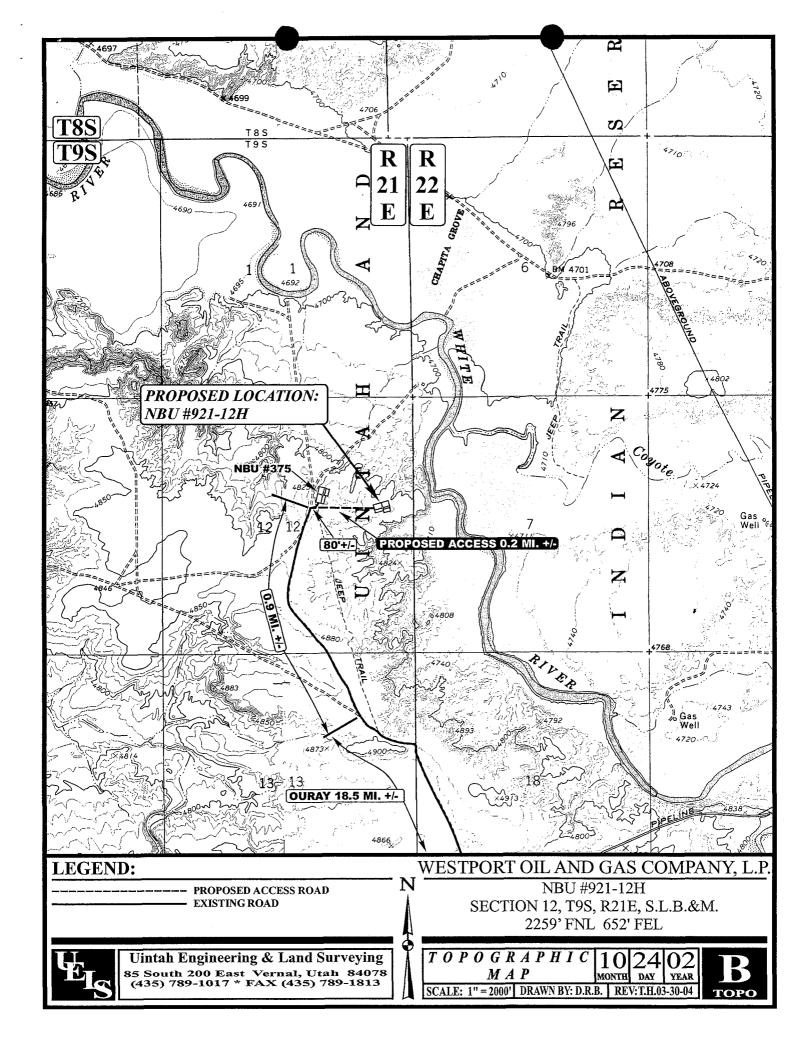
LOCATION PHOTOS

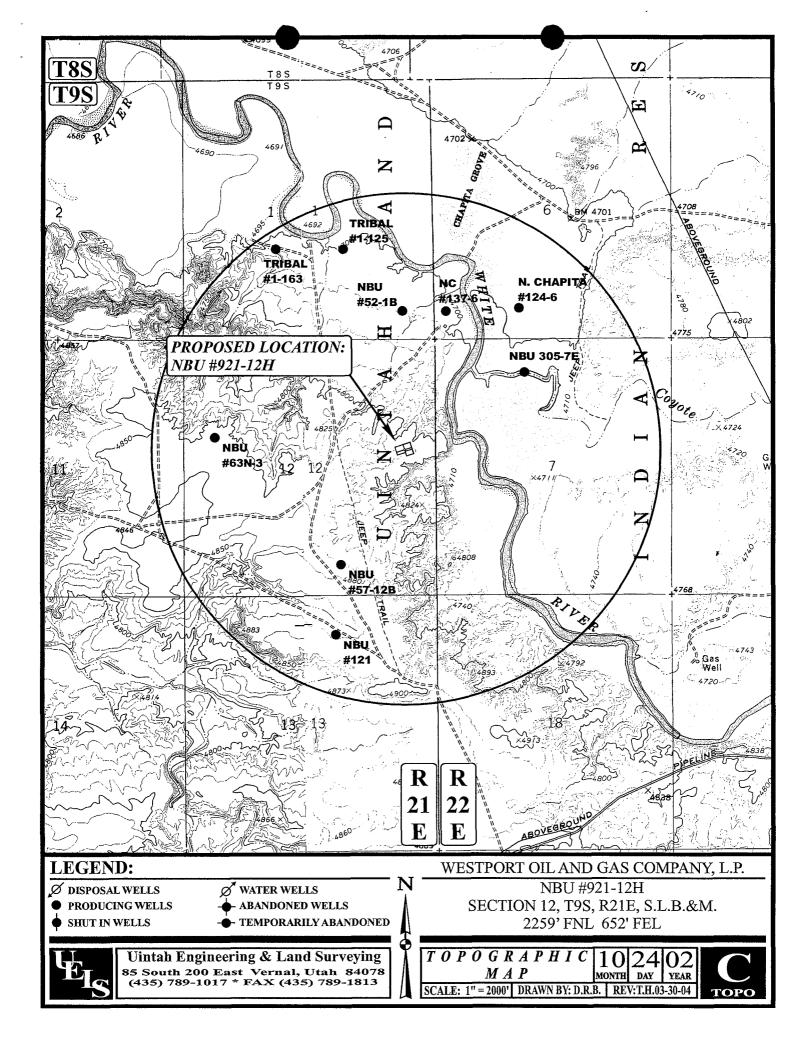
10 23 02 MONTH DAY YEAR

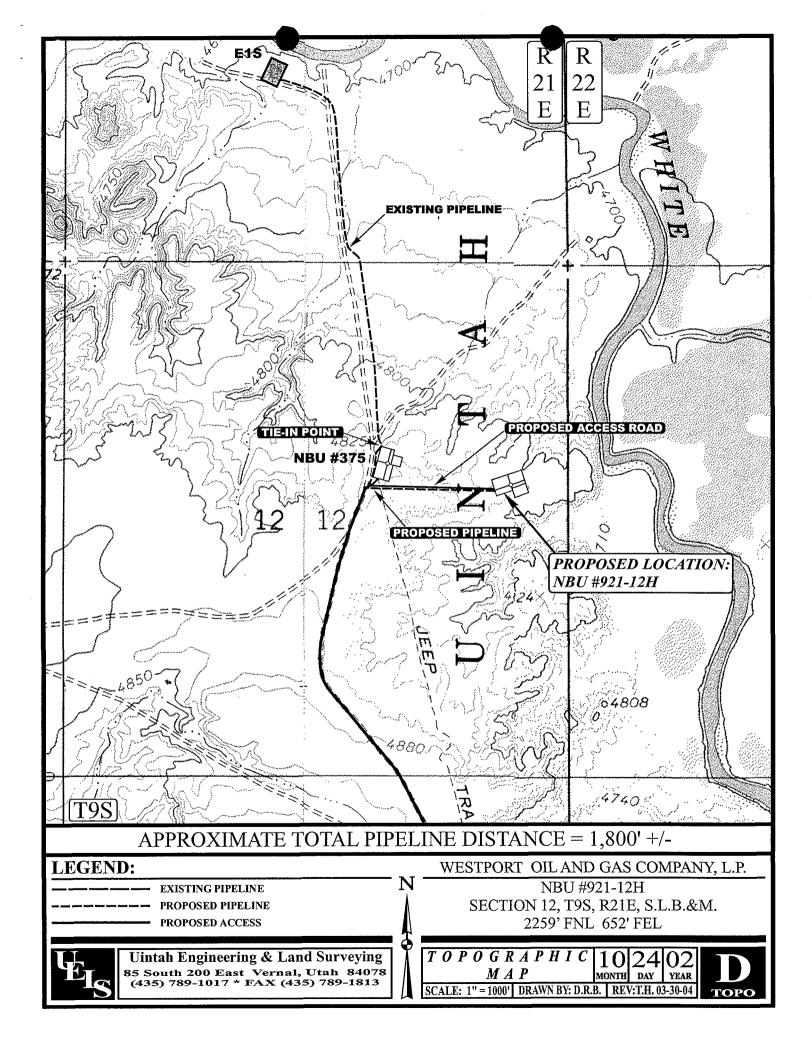
PHOTO

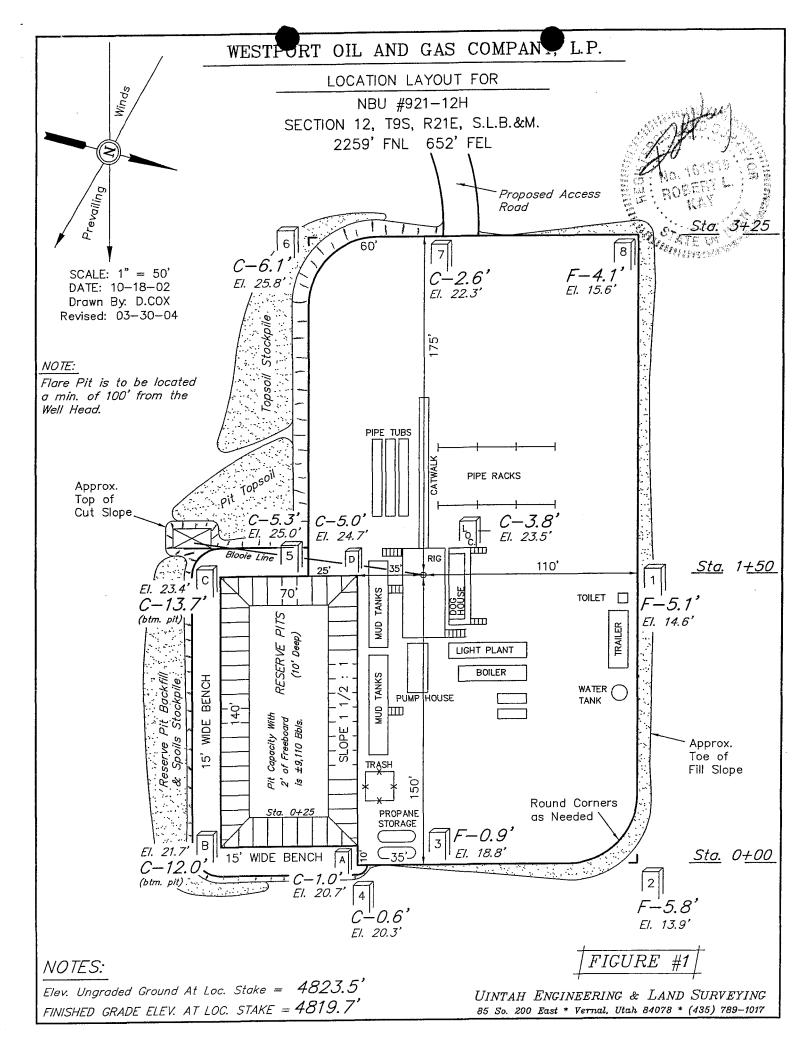
TAKEN BY: G.S. DRAWN BY: D.R.B. REV:T.H. 03-30-04

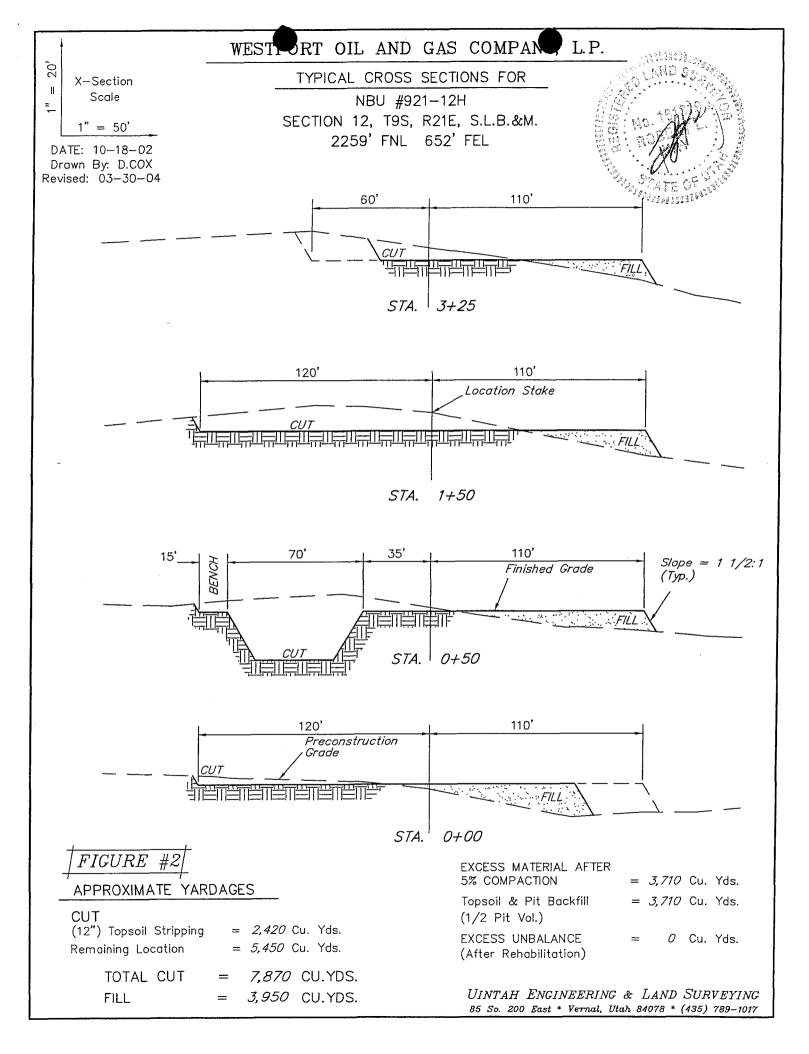




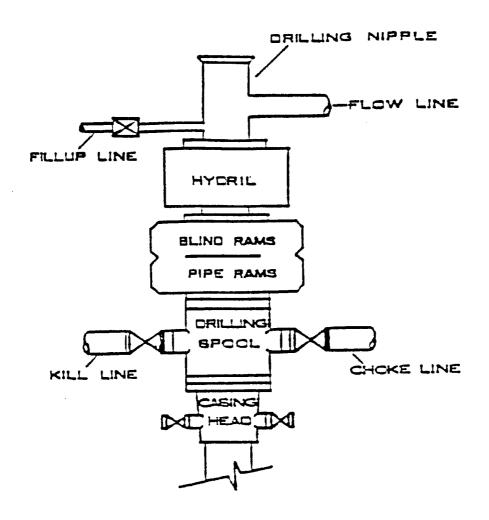


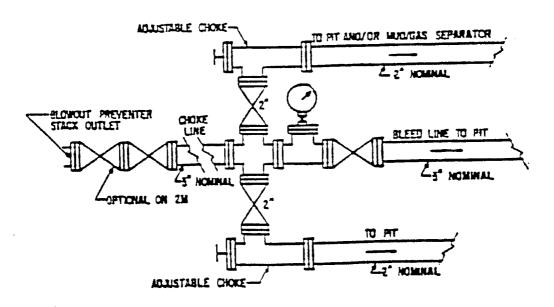






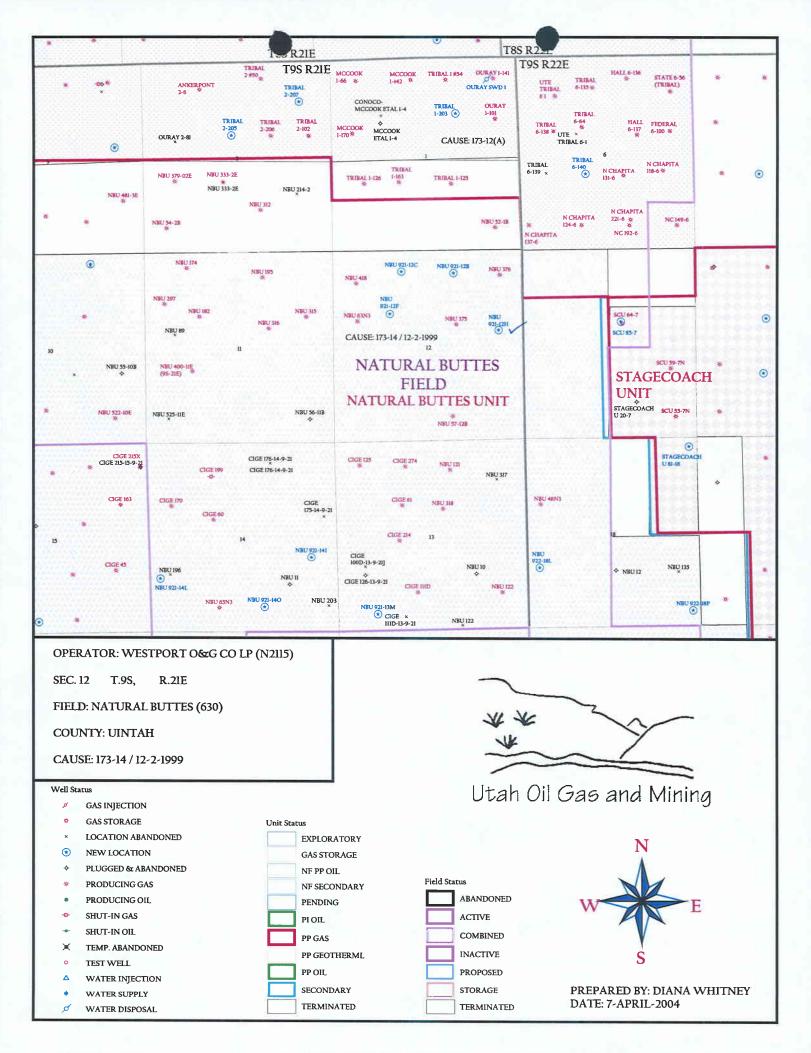
EOP STACK





WORKSI APPLICATION FOR E	
APD RECEIVED: 04/05/2004	API NO. ASSIGNED: 43-047-35616
WELL NAME: NBU 921-12H OPERATOR: WESTPORT OIL & GAS CO (N2115) CONTACT: SHEILA UPCHEGO PROPOSED LOCATION: SENE 12 090S 210E SURFACE: 2259 FNL 0652 FEL BOTTOM: 2259 FNL 0652 FEL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: U-0141317 SURFACE OWNER: 2 - Indian PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO	PHONE NUMBER: 435-781-7024 INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 40.05165 LONGITUDE: 109.49240
RECEIVED AND/OR REVIEWED: Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. CO-1203) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496) RDCC Review (Y/N) (Date:) NW Fee Surf Agreement (Y/N)	LOCATION AND SITING: R649-2-3. Unit NATURAL BUTTES R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: 173-14 Eff Date: 12-2-1999 Siting: 460'fr Ubewarg ? Uncomm. Trans. R649-3-11. Directional Drill

COMMENTS:	Sor Seperate fle		
STIPULATIONS:	1- Redinal Opprova		



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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

April 7, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2004 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Natural Buttes Unit, Uintah County, Utah.

API # WELL NAME

LOCATION

(Proposed PZ MesaVerde)

43-047-35616 NBU 921-12H Sec 12 T09S R21E 2259 FNL 0652 FEL 43-047-35615 NBU 920-13C Sec 13 T09S R20E 0372 FNL 2168 FWL 43-047-35617 NBU 921-20P Sec 20 T09S R21E 0819 FSL 0592 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
 Division of Oil Gas and Mining
 Agr. Sec. Chron

Agr. Sec. Chron Fluid Chron

MCoulthard:mc:4-7-04



oute of oran

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERT L. MORGAN Executive Director

LOWELL P. BRAXTON Division Director MICHAEL O. LEAVITT Governor

OLENE S. WALKER Lieutenant Governor

April 8, 2004

Westport Oil & Gas Company L.P. 1368 South 1200 East Vernal, UT 84078

Re:

Natural Buttes Unit 921-12H Well, 2259' FNL, 652' FEL, SE NE, Sec. 12, T. 9 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35616.

Sincerely,

John R. Baza Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	Westport Oil & Gas Company L.P.			
Well Name & Number	Natural Buttes Unit 921-12H			
API Number:	43-047-35616			
Lease:	U-0413			
Location: <u>SE NE</u>	Sec. 12	T. 9 South	R. 21 East	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Form 3160-3 FORM APPROVED (August 1999) OMB No. 1004-0136 UNITED STATES Expires November 30, 2000 DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT U-0141317 006 6. If Indian, Allottee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER UTE TRIBE 7. If Unit or CA Agreement, Name and No. la. Type of Work: X DRILL REENTER **NATURAL BUTTES UNIT** 8. Lease Name and Well No. b. Type of Well: Oil Well **X** Gas Well Other Single Zone Multiple Zone NBU 921-12H 2. Name of Operator 9. API Well No. WESTPORT OIL & GAS COMPANY L.P. 3A. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 1368 SOUTH 1200 EAST VERNAL, UT 84078 (435)-781-7024 NATURAL BUTTES 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or Blk, and Survey or Area SENE 2259'FNL & 652'FEL SECTION 12-T9S-R21E At proposed prod. Zone 14. Distance in miles and direction from nearest town or post office* 13. State 12. County or Parish UTAH 19.6 MILES SOUTHEAST OF OURAY, UTAH **UINTAH** Distance from proposed* 16. No. of Acres in lease 17. Spacing Unit dedicated to this well location to neares property or lease line, ft.
(Also to nearest drig. unit line, if any) 480.00 40 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 19. Proposed Depth 20. BLM/BIA Bond No. on file REFER TO 10.300' CO-1203 TOPO C 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 4823'UNGRADED GL **UPON APPROVAL** TO BE DETERMINED 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. SUPO shall be filed with the appropriate Forest Service Office. 6. Such other site specific information and/or plans as may be required by the authorized office. Signature Name (Printed/Typed) Date SHEILA UPCHEGO 4/5/2004 REGULATORY ANALYST Name (Printed/Typed) **Assistant** Miner Resources Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

04 PS1379H

*(Instructions on reverse)

Page 1 of 4

Well No.: NBU 921-12H

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Westport Oil and Gas Company LP.
Well Name & Number: <u>NBU 921-12H</u>
Lease Number: <u>U-0141317</u>
Location: SENE Sec. 12 T.9S R. 21E
API Number: 43-047-35616
Agreement: Natural Buttes Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered</u>

Report <u>ALL</u> water shows and water-bearing sands to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable.

2. <u>Pressure Control Equipment</u>

A 5M BOPE system will be required while drilling the production hole.

Well No.: NBU 921-12H

The variances requested in section 9 of the NBU Field SOP are granted with the following conditions:

Where the location and rig layout allows, the blooie line shall be straight and extend 100' from the wellbore. This requirement will be waived only in the case where the location is too small to accommodate it.

3. <u>Casing Program and Auxiliary Equipment</u>

As a minimum requirement, the cement behind the production/intermediate casing must extend at least 200' above the top of the surface casing shoe.

4. Mud Program and Circulating Medium

None

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Please submit to this office, in LAS format, an electronic copy of all logs run on this well This submission will replace the requirement for submittal of paper logs to the BLM.

6. Notifications of Operations

<u>Immediate Report</u>: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

7. Other Information

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman

(435) 828-7874

Petroleum Engineer

Kirk Fleetwood

(435) 828-7875

Petroleum Engineer

BLM FAX Machine (435) 781-4410

Page 3 of 4 Well No.: NBU 921-12H

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Westport Oil and Gas Corporation (Westport) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Westport personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Westport employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Westport employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Westport will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). Westport shall receive written notification of authorization or denial of the requested modification. Without authorization, Westport will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Westport shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching required for the construction of the pipeline. Westport is to inform contractors to maintain construction of the pipelines within approved right of ways.

A corridor ROW, 30 feet wide and 1773 feet long, shall be granted for the pipeline and a ROW, 30 feet wide and 1201 feet long, shall be granted for the new access road. The road ROW is adjacent to part of the pipeline corridor, and the remainder of the pipeline corridor follows existing roads north to the tie in point near the Northwest corner of the pad of the Westport NBU 375 well. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the road ROW may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required. Upon completion of each pipeline in the corridor an adequate description of the pipeline will be filed with the Ute Tribe Energy & Minerals Department.

Upon completion of the pertinent APD and ROWs, Westport will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. Production waters, oil, and other byproducts shall not be placed on access roads or the well pad. At any locations where the produced water is hauled for drilling purposes, the reserve pits must

Well No.: NBU 921-12H

have adequate liners or clay soils and the produced water may not be injected down the annulus of a well location after drilling has been completed.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Westport will implement "Safety and Emergency Plan" and ensure plan compliance.

Westport shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontology resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Westport employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontology fossils. No significant cultural resources shall be disturbed.

Westport will control noxious weeds on the well site and ROWs. Westport will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks, and hauled to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The ROW will not be bladed or cleared of vegetation without authorization of the BIA. The pipeline will be welded in place at well sites or on access roads then pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before the site is abandoned, Westport will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated, by reseeding all disturbed areas.

FAX NO. 4357817094 P. 05 FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000 5. Lease Serial No. U-041317 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or reenter an 007 abandoned well. Use Form 3160-3 (APD) for such proposals. UTE TRIBE 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side 891008900A Type of Well 8. Well Name and No. Gas Well Oil Well Other NBU 921-12H Name of Operator 9. API Well No. WESTPORT OIL & GAS COMPANY, L.C. 43-047-35616 Phone No. (include area code) 10. Field and Pool, or Exploratory Area 435-781-7060 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078 NATURAL BUTTES Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 2259' FNL 652' FEL SENE SEC 12-T9S-R21E UINTAH, UTAH 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Production (Surt/Resume) Deepen ___ Acidize Notice of Intent Well Integrity Reclamation Alter Casing Fracture Treat Other APD EXTENSION Recomplete **New Construction** Casing Repair Subsequent Report Plug and Abandon Temporarily Abandon Change Plans Water Disposal Convert to Injection Plug Back Final Abandonment Notice 13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

The operator requests that the APD be extended for an additional year so that drilling operations may be completed.

Approved by the Utah Division of Oil, Gas and Mining

COPYSENT

I hereby certify that the foregoing is true and correct Name (Prinsed/Typed) DEBRA DOMENICI

Title

ASSOCIATE ENVIRONMENTAL ANALYST

Dale Signature April 15, 2005

> THIS SPACE FOR FEDERAL OR STATE USE Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Date

Title 18 U.S.C. Scalion 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Approved by



Validation (this form should accompany the Sundry Notice requesting permit extension)

API:

43-047-35616

Well Name:

NBU 921-12H

Location:

SENE SEC 12-T9S-R21E

Company Permit issued to: WESTPORT OIL & GAS COMPANY, L.P.

Date Original Permit Issued: 4/8/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes □ No ☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes□No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑

Have there been any changes to the access route including ownership, or rightof-way, which could affect the proposed location? Yes□No ☑

Has the approved source of water for drilling changed? Yes□No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑

Is bonding still in place, which covers this proposed well? Yes ☑No□

Signature

4/15/2005 Date

Title: ASSOCIATE ENVIRONMENTAL ANAL'

Representing: WESTPORT OIL & GAS COMPANY, L.P.

(August 1999)

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

7. If Unit or CA/Agreement, Name and/or No.

Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLSUL 2 0-2005

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

J-041317 If Indian, Allottee or Tribe Name

DTE TRIBE

891008900A

1.	Type of Well				_	_
	Oil Well	X Gas Well	Other			
2.	Name of Opera	itor				
W	ESTPORT C	OIL & GAS C	OMPANY, L.C.			
3a.	Address			3ъ.	Phone No. (include area code)	_

NBU 921-12H 9. API Well No. 43-047-35616

8. Well Name and No.

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078 (435)781-7060 Location of Well (Footage, Sec., T., R., M., or Survey Description)

10. Field and Pool, or Exploratory Area

2259' FNL 652' FEL SENE SEC 12-T9S-R21E

NATURAL BUTTES 11. County or Parish, State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair	New Construction	Recomplete	Other APD EXTENSION	
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Abandon Plug Back	Temporarily Abandon Water Disposal	BLM	

The operator requests that the APD be extended for an additional year so that drilling operations may be completed.

RECEIVED SEP 0 9 2005

DIV. OF OIL. GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed)	Title
DEBRA DOMENICI	ASSOCIATE ENVIRONMENTAL ANALYST
	Date
Della Domenica	July 8, 2005
THIS SPACE FOR	R FEDERAL OR STATE USE
Approved by Wax Pole Pe	etröleum Engineer ANG 0 2 2005
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lea which would entitle the applicant to conduct operations thereon.	or Office
	y and willfully to make to any department or agency of the United States any
false fictitious or froudulent statements or representations of to any motte	ar mithin ita kuriadi ati an

(Instructions on reverse)



^{13.} Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

CONDITIONS OF APPROVAL

Westport Oil & Gas Co.

Notice of Intent APD Extension

Lease:

UTU-041317

Well:

NBU 921-12H

Location:

SENE Sec 12-T9S-R21E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 08/03/06
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

Form 3160-5 (August 1999)

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

U-0141317

5.

Expires Jnovember 30, 2000

FORM APPROVED

OMB No. 1004-0135

		1-			
L	ease	Sei	rial	No	

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or reenter an

Do not use this abandoned well.	6. If Indian, Allottee or Tribe Name UTE TRIBE					
SUBMIT IN TRIPL	7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES UNIT					
1. Type of Well Oil Well Gas Well 2. Name of Operator WESTPORT OIL & GAS CO 3a. Address	8. Well Name and No. NBU 921-12H 9. API Well No.					
3a. Address 3b. Phone No. (include area code) 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078 435-781-7060				43-047-35616 10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SENE SEC 12-T9S-R21E 2259' FNL 652' FEL			NATURAL BUTTES 11. County or Parish, State UINTAH, UTAH			
12. CHECK APPI	ROPRIATE BOX(ES) TO I	NDICATE NATURE	OF NOTICE, R	EPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYF	E OF ACTION	V		
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair X Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclamatio Recomplete Temporarily Water Disp	e Other		
 Describe Proposed or Completed Oper If the proposal is to deepen directional Attach the Bond under which the work 	lly or recomplete horizontally, giv	e subsurface locations and	measured and true	ny proposed work and approximate duration therece vertical depths of all pertinent markers and zone	of. es.	

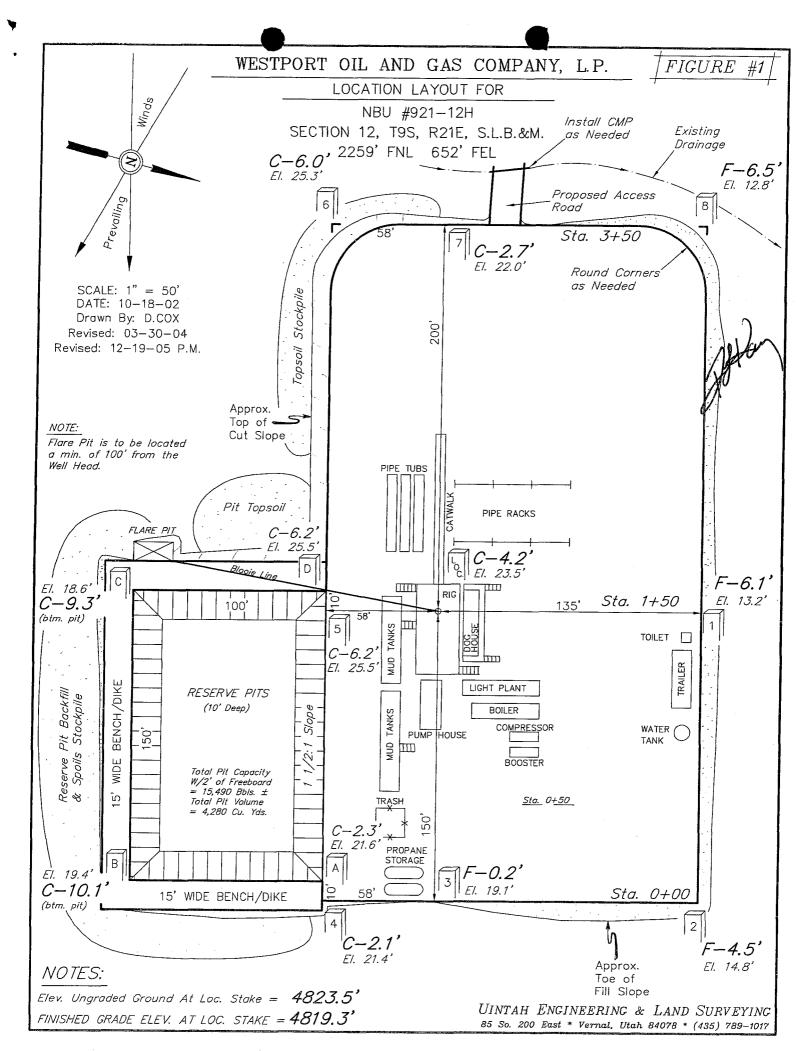
under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

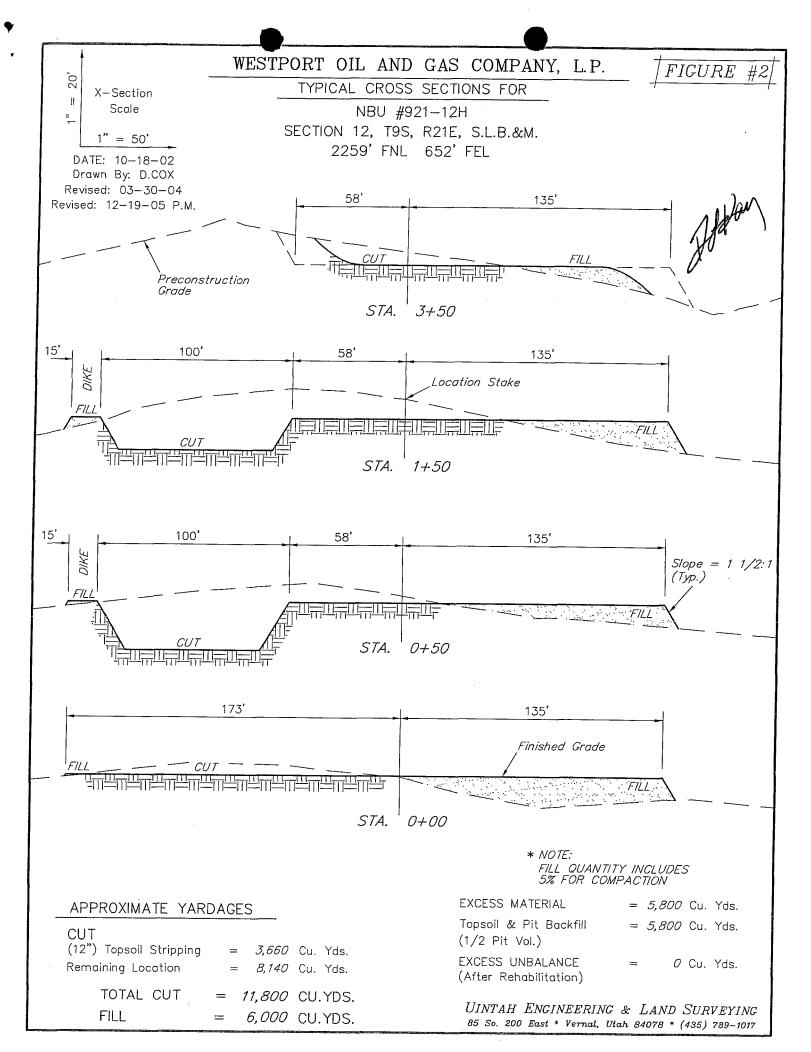
THE OPERATOR REQUESTS PERMISSION TO ENLARGE THE EXISTING LOCATION IN ORDER TO ACCOMMODA THEIR DRILLING RIG. PLEASE REFER TO THE ATTACHED LOCATION LAYOUT AND TYPICAL CROSS SECTION.

SHOWING THE NEW LAYOUT FOR THIS LOCATION by the Accepted by the Utah Division of Utah Division of Oil, Gas and Mining FOR RECORD ONLY

RECEIVED FEB 0 8 2006

• Company of the second of the	•	DIV. OF OIL, GAS & MINING		
14. I hereby certify that the foregoing is true and correct				
Name (Printed/Typed)	Title			
DEBRA DOMENICI		ASSOCIATE ENVIRONMENTAL ANALYST		
Signature Delia Donemai	Date February 2, 2006			
THIS SPACE	FOR FED	EDERAL OR STATE USE		
Approved by	. 7	Title Date		
Conditions of approval, if any, are attached. Approval of this notice does not wa certify that the applicant holds legal or equitable title to those rights in the subje which would entitle the applicant to conduct operations thereon.	rrant or (Office		
Title 18 U.S.C. Section 1001, make it a crime for any person know false, fictitious or fraudulent statements or representations as to any r	ingly and	nd willfully to make to any department or agency of the United States any		





Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2 CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: 1/6/2006					
FROM: (Old Operator):	TO: (New O	erator):			
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-M		Gas Onsho	re, LP	
1368 South 1200 East	1368 South 1200 East				
Vernal, UT 84078	Vernal	, UT 84078	3		
Phone: 1-(435) 781-7024	Phone: 1-(435)	781-7024			
CA No.	Unit:	N	ATURAL I	BUTTES	UNIT
WELL NAME SEC TWN RNG	API NO	ENTITY	LEASE	WELL	WELL
l 9,		NO	TYPE	TYPE	STATUS
OPERATOR CHANGES DOCUMENTATION					
Enter date after each listed item is completed					
1. (R649-8-10) Sundry or legal documentation was received from the	FORMER ope	rator on:	5/10/2000	5	
2. (R649-8-10) Sundry or legal documentation was received from the	NEW operator	on:	5/10/2000	5	
3. The new company was checked on the Department of Commerce	e, Division of Co	orporation	s Database	on:	3/7/2006
4a. Is the new operator registered in the State of Utah: YES	Business Numb	er:	1355743-01	81	
4b. If NO , the operator was contacted contacted on:	_			_	
5a. (R649-9-2)Waste Management Plan has been received on:	IN PLACE				
5b. Inspections of LA PA state/fee well sites complete on:	n/a	3 LA well	s & all PA v	vells tran	sferred
5c. Reports current for Production/Disposition & Sundries on:	ok	•			
6. Federal and Indian Lease Wells: The BLM and or the I	BIA has appro	ved the n	nerger, na	me chan	ge,
or operator change for all wells listed on Federal or Indian leases of	on:	BLM	3/27/2000	BIA	not yet
7. Federal and Indian Units:					
The BLM or BIA has approved the successor of unit operator for	r wells listed on:		3/27/2006		
8. Federal and Indian Communization Agreements ("	CA"):				
The BLM or BIA has approved the operator for all wells listed w			n/a		
	ivision has appro		-	isfer of A	uthority to
Inject, for the enhanced/secondary recovery unit/project for the wa	ater disposal wel	ll(s) listed o	on:		
DATA ENTRY:					
1. Changes entered in the Oil and Gas Database on:	5/15/2006				
2. Changes have been entered on the Monthly Operator Change Sp			5/15/2006	_	
3. Bond information entered in RBDMS on:4. Fee/State wells attached to bond in RBDMS on:	5/15/2006	-			
4. Fee/State wells attached to bond in RBDMS on:5. Injection Projects to new operator in RBDMS on:	5/16/2006	-			
6. Receipt of Acceptance of Drilling Procedures for APD/New on:	-	n/a	Name Cha	nge Only	
BOND VERIFICATION:					
Federal well(s) covered by Bond Number:	CO1203				
2. Indian well(s) covered by Bond Number:	RLB0005239	-			
3. (R649-3-1) The NEW operator of any fee well(s) listed covered by		-	RLB000523	36	
a. The FORMER operator has requested a release of liability from the	•	n/a	rider adde		
The Division sent response by letter on:					
LEASE INTEREST OWNER NOTIFICATION:					
4. (R649-2-10) The FORMER operator of the fee wells has been cont	tacted and inform	ned by a let	tter from the	Division	
of their responsibility to notify all interest owners of this change on		5/16/2006			
COMMENTS:					

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5.	Lease	Seria!	No.

SUNDRY Do not use this abandoned well.	MULTIPLE LEASES 6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPI	7. If Unit or CA/Agreement, Name and/or No.						
I. Type of Well							
Oil Well X Gas Well	8. Well Name and No.						
2. Name of Operator	MUTIPLE WELLS						
KERR-McGEE OIL & GAS	9. API Well No.						
3a. Address		3b. Phone No. (include area	code)				
1368 SOUTH 1200 EAST	10. Field and Pool, or Exploratory Area						
4. Location of Well (Footage, Sec.	, T., R., M., or Survey Descripe	(435) 781-7024 tion)					
SEE ATTACHED	11. County or Parish, State UINTAH COUNTY, UTAH						
12. CHECK AP	PROPRIATE BOX(ES) TO	INDICATE NATURE OF N	OTICE, REPORT, OR OTHER DATA				
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	Acidize Alter Casing		Production (Start/Resume) Water Shut-Off				
Subsequent Report	Casing Repair Change Plans	New Construction	Recomplete				
Final Abandonment Notice	Convert to Injection	Plug Back	emporarily Abandon OPERATOR Vater Disposal				
13. Describe Proposed or Completed Op If the proposal is to deepen direction	erations (clearly state all pertiner nally or recomplete horizontally,	nt details, including estimated startingive subsurface locations and measu	g date of any proposed work and approximate duration thereof. red and true vertical depths of all pertinent markers and zones.				

If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS DESPONSIBLE LINDER TERMS AND CONSIDERED.

RECEIVED

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE

BIM BOND = CDI202

MAY 1 0 2006

IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

DIV. OF OIL, GAS & MINING

 I hereby certify that the foregoing is true and corn Name (Printed/Typed) FANDY BAYNE 	Title Earlene Ru DRILLING MANAGER					
Signature / Sayne	Date May 9, 2006	Date				
	THIS SPACE FOR FEDERAL OR STATE U	JSE				
Approved by	Title	Date				
Conditions of approval, if any, are attached. Approval of this certify that the applicant holds legal or equitable title to those which would entile the applicant to conduct operations thereo	rights in the subject lease	3076				

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

SUNDRY NOTICES AND REPORTS ON WELLS

abandoned well. Use Form 3160-3 (APD) for such proposals.						6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE – Other instructions on reverse side					7. If Unit or CA/Agreement, Name and/or No.			
I. Type of Well					1			
Oil Well X Gas Well		8. Well Name and No.						
2. Name of Operator						MUTIPLE WELLS		
WESTPORT OIL & GAS CO		9. API Well	No.					
3a. Address	rea code)	1						
1368 SOUTH 1200 EAST V		10. Field and Pool, or Exploratory Area						
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description	on)						
SEE ATTACHED					11. County or	Parish, State		
					UINTAH COUNTY, UTAH			
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICATE NA	TURE OF	NOTICE, R	EPORT, OR (OTHER DATA		
TYPE OF SUBMISSION	OF ACTION							
Notice of Intent	Acidize	Acidize Deepen Production (Start/Resume) Water Shut-Off						
_	Alter Casing	Fracture Ti	reat [Reclamatio		Well Integrity		
Subsequent Report	Casing Repair		Construction Recomplete			Other CHANGE OF		
Final Abandonment Notice	Change Plans Convert to Injection	Plug and A	bandon _	Temporaril		OPERATOR		
13. Describe Proposed or Completed Open	. –	Plug Back	<u> </u>	Water Disp				
Attach the Bond under which the wolfollowing completion of the involved testing has been completed. Final Aldetermined that the site is ready for fin EFFECTIVE JANUARY 6, 20 THE OPERATORSHIP OF TONSHORE LP.	perations. If the operation results and onment Notices shall be filed at inspection. DO6, WESTPORT OIL & THE ATTACHED WELL	is in a multiple of donly after all re & GAS COM LOCATION	PANY L.I	recompletion in neluding reclas P., HAS RI RR-McGE	n a new interval, nation, have bee ELINQUISH	a Form 3160-4 shall be filed once in completed, and the operator has		
APPROVED 5/6/06						RECEIVED		
Carlone Russell								
Division of Oil, Gas and Mining MAY 1 0 2006 Earlene Russell, Engineering Technician								
	Latiene F	cussell, Eng	incering 7	lechnician	וכו	V OF OIL GAS & MINING		
14. I hereby certify that the foregoing	is true and correct		***************************************		1/1	Y TOUR GAS & MINING		
Name (Printed/Typed)		Title						
BRAD LANEY Signature			ERING SE	PECIALIST				
o i gridicar o		Date May 9, 20	006					
	THIS SPACE	FOR FEDERA		TE USE				
Approved by		Title			Date			
Olack January					5-9	-06		
Conditions of approval, if any, are attacked certify that the applicant holds legated equit which would entitle the applicant to conduct	arrant or Office	or Office						
Title 18 U.S.C. Section 1001, make false, fictitious or fraudulent statemer	it a crime for any person know	vingly and will matter within it	fully to make s jurisdiction	e to any depan ı.	rtment or agenc	y of the United States any		



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Colorado State Office 2850 Youngfield Street Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM) 3106 COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. 1999 Broadway, Suite 3700 Denver, CO 80202

Oil & Gas

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303,239,3768.

/s/Martha L. Maxwell Martha L. Maxwell Land Law Examiner Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:
MMS MRM, MS 357B-1
WY, UT, NM/OK/TX, MT/ND, WY State Offices
CO Field Offices
Wyoming State Office
Rider #1 to Bond WY2357

Rider #1 to Bond WY2357 Rider #2 to Bond WY1865 Rider #3 to Bond WY1127



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

IN REPLY REFER TO: 3106 (UT-922)

March 27, 2006

Memorandum

To:

Vernal Field Office

From:

Chief, Branch of Fluid Minerals

Subject:

Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

CC:

MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225

State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114

Teresa Thompson

Joe Incardine

Connie Seare

Dave Mascarenas

Susan Bauman

MAR 2 8 2006

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State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director



GARY R. HERBERT Lieutenant Governor

November 8, 2006

Sheila Upchego Westport Resources Corp. 1368 South 1200 East Vernal UT 84078

Re:

<u>APD Rescinded –NBU 921-12H Sec. 12 T. 9 R. 21E</u>

Uintah County, Utah API No. 43-047-35616

Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 8, 2004. On April 18, 2005 the Division granted a one-year APD extension. On November 7, 2006, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective November 7, 2006.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc:

Well File

Bureau of Land Management, Vernal